GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2400
ANSWERED ON:30.08.2007
MERGER OF CHIRIA MINES AND IISCO WITH SAIL
Mehta Shri Bhubneshwar Prasad

Will the Minister of STEEL be pleased to state:

(a) whether the Chiria mines and Indian Iron and Steel Company (IISCO) have been merged with Steel Authority of India Ltd. (SAIL) and the SAIL has given application for the renovation of Chiria mines to the Government;

(b) if so, the details thereof;

(c) whether the Department of Mines and Geology have recommended to give Chiria mines to any other private company instead of SAIL;

(d) if so, the details thereof;

(e) whether the Bokaro, Durgapur and Bhilai steel plants will get closed in case the Chiria mines are not given to SAIL; and

(f) if so, the steps being taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a)&(b): Yes, Sir. Indian Iron & Steel Company Ltd. (IISCO) including Chiria Mines had been merged with Steel Authority of India Limited (SAIL) with effect from 16th February, 2006. IISCO/SAIL had submitted the renewal application of all six mining leases of Chiria. The State Government of Jharkhand rejected three mining leases out of six leases and balance three leases are under deemed extension. SAIL has also submitted its expansion plan in Jharkhand which also included renovation/expansion of Chiria Mines to the State Government in March, 2006. Further, SAIL presented its brown field and green field expansion plan along with the iron ore requirement for 50 years to the Government of Jharkhand and Ministry of Mines, Government of India in April, 2007.

(c)&(d): The matter is subjudice.

(e)&(f): Chiria mines will be developed as a central mine to meet the iron ore requirement of its steel plants in eastern sector viz. Durgapur Steel Plant (Durgapur, West Bengal), Rourkela Steel Plant (Rourkela, Orissa), Bokaro Steel Plant (Bokaro, Jharkhand) and IISCO Steel Plant (Burnpur, West Bengal). For brown field and green field expansion plan along with iron ore requirement for 50 years by SAIL on overall basis, the existing iron ore reserves with SAIL will not be sufficient to meet the requirement for 50 years. Continual efforts are underway to procure Chiria mines for SAIL.